

Permitting Services

MISSION STATEMENT

The mission of the Department of Permitting Services is to provide the highest quality of public service while ensuring compliance with Montgomery County's development and construction standards.

BUDGET OVERVIEW

The total recommended FY06 Operating Budget for the Department of Permitting Services is \$22,709,240, an increase of \$1,940,390 or 9.3 percent from the FY05 Approved Budget of \$20,768,850. Personnel Costs comprise 81.7 percent of the budget for 191 full-time positions and one part-time position for 191.3 workyears. Operating Expenses and Capital Outlay account for the remaining 18.3 percent of the FY06 budget.

HIGHLIGHTS

- ❖ *Streamline and refocus operations by eliminating two administrative positions and creating two positions to reduce backlogs in zoning plan and compliance review and single-family residential construction inspections. As a result, site plan review times and telephone response time queues will be reduced by one-third.*
- ❖ *Increase expedited Green Tape permitting services for applicants in designated redevelopment areas such as the Wheaton and Silver Spring Enterprise Zones, the Long Branch/East Silver Spring area, and for designated Moderately Priced Dwelling Unit (MPDU) projects and priority Economic Development projects.*
- ❖ *Begin major department technology upgrade by replacing 17 servers and 13 printers.*
- ❖ *Increase fees by 6.4%.*

PROGRAM CONTACTS

Contact Maggie Orsini of the Department of Permitting Services at 240.777.6356 or Mary Cichello Beck of the Office of Management and Budget at 240.777.2753 for more information regarding this department's operating budget.

PROGRAM DESCRIPTIONS

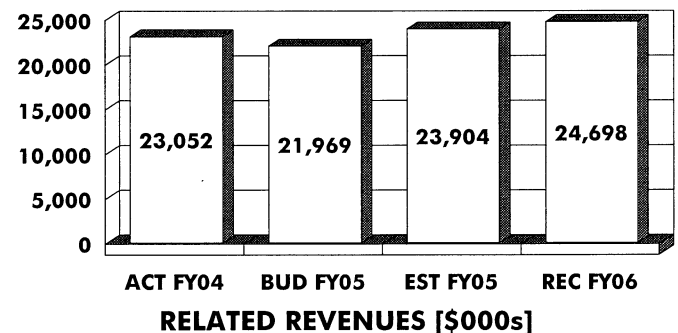
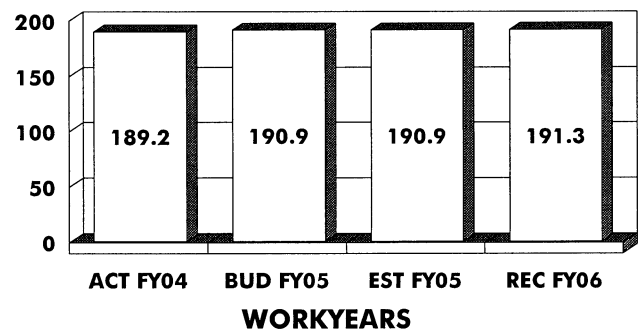
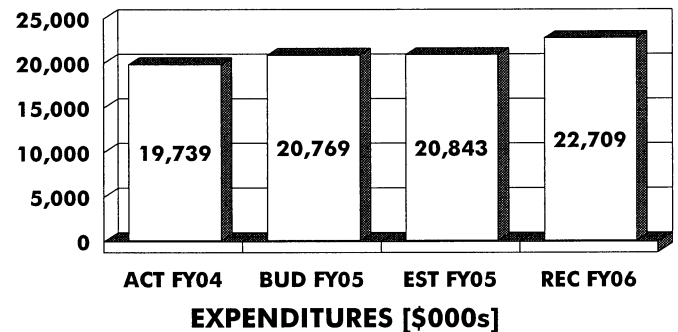
Land Development

The Land Development program is responsible for ensuring the protection of the County's water resources and the safety of residents through its engineering and inspection functions related to stormwater management, sediment control, floodplain management, well-and-septic systems approval, stormdrain design, and work in the public right-of-way.

Program Summary

	Expenditures	WYs
Land Development	6,587,450	59.5
Casework Management	5,306,510	58.2
Building Construction	6,408,830	60.8
Administration	4,406,450	12.8
Totals	22,709,240	191.3

Trends



FY06 Recommended Changes

	Expenditures	WYs
FY05 Approved	6,194,160	59.5
FY06 CE Recommended	6,587,450	59.5

Casework Management

The Casework Management program is responsible for educating the development community about the permitting process, assisting applicants with the intake and issuance of permits, keeping applicants informed of the status of their permits, and resolving issues that impede permitting efficiency. The program is also charged with enforcement of the County's Zoning Ordinance by reviewing building applications for zoning compliance and investigating zoning complaints.

FY06 Recommended Changes

- ❑ *Increase expedited Green Tape permitting services for applicants in designated redevelopment areas such as the Wheaton and Silver Spring Enterprise Zones, the Long Branch/East Silver Spring area, and for designated Moderately Priced Dwelling Unit (MPDU) projects and priority Economic Development projects.*
- ❑ *Reduce backlog in zoning plan and compliance review. As a result, site plan review times and telephone response time queues will be reduced by one-third.*

	Expenditures	WYs
FY05 Approved	4,717,500	55.6
FY06 CE Recommended	5,306,510	58.2

Building Construction

The mission of the Division of Building Construction is to ensure public safety through effective and uniform administration and enforcement of construction codes and standards. The Building Construction program is responsible for engineering plan review and construction inspection related to the administration and enforcement of building, structural, electrical, mechanical, fire-safety, energy conservation, and accessibility codes and standards. This program also provides public service in the form of educational seminars and preliminary construction-design consultations and participates in the development of national, State, and local building codes and standards.

FY06 Recommended Changes

- ❑ *Reduce backlog in residential construction inspections due to increased workload.*

	Expenditures	WYs
FY05 Approved	6,040,880	61.0
FY06 CE Recommended	6,408,830	60.8

Administration

The Administration program provides policy development and leadership for all programs within the department. Staff specialists are responsible for a full range of administrative, financial, and budgetary tasks, including daily operations, automation, human resources management, management services, community outreach, and customer service.

FY06 Recommended Changes

- ❑ *Streamline and refocus operations by eliminating two administrative positions. Reallocate funds to improving services in the residential inspections and zoning plan and compliance reviews. (See Casework Management and Building Construction programs.)*
- ❑ *Replace servers and printers to maintain and enhance IT applications.*

	Expenditures	WYs
FY05 Approved	3,816,310	14.8
FY06 CE Recommended	4,406,450	12.8

BUDGET SUMMARY

	Actual FY04	Budget FY05	Estimated FY05	Recommended FY06	% Chg Bud/Rec
PERMITTING SERVICES					
EXPENDITURES					
Salaries and Wages	12,411,972	12,957,330	13,096,070	13,611,210	5.0%
Employee Benefits	3,813,762	4,430,320	4,365,350	4,948,260	11.7%
Permitting Services Personnel Costs	16,225,734	17,387,650	17,461,420	18,559,470	6.7%
Operating Expenses	3,513,305	3,381,200	3,381,200	3,884,370	14.9%
Capital Outlay	0	0	0	265,400	—
Permitting Services Expenditures	19,739,039	20,768,850	20,842,620	22,709,240	9.3%
PERSONNEL					
Full-Time	189	190	190	191	0.5%
Part-Time	1	1	1	1	—
Workyears	189.2	190.9	190.9	191.3	0.2%
REVENUES					
Civil Penalties/Fines	121,720	141,610	153,320	157,600	11.3%
Investment Income	106,003	113,700	249,280	380,000	234.2%
Information Requests	41,191	43,990	47,630	48,960	11.3%
Building Permits	10,606,040	10,020,940	10,849,900	11,152,290	11.3%
Use & Occupancy Permits	187,960	207,240	224,380	230,640	11.3%
New Zoning Permit Fee	0	95,540	95,540	101,650	6.4%
Residential Fire Sprinkler Systems	0	230,210	249,250	256,200	11.3%
Fire Code Enforcement Fees	429,564	429,160	464,660	477,610	11.3%
Miscellaneous	1,542	0	0	0	—
Mechanical Inspection Fees	643,306	544,700	589,760	606,200	11.3%
Electrical Contractors Licenses	126,225	125,410	135,780	139,570	11.3%
Automation Surcharge	2,058,604	1,963,750	2,126,200	2,185,450	11.3%
Electrical Individual Licenses	185,422	174,480	188,910	194,180	11.3%
Electrical Permits	1,835,586	1,882,740	2,038,490	2,095,300	11.3%
Grading/SD/Paving/Driveway Permits	2,514,570	2,532,420	2,741,910	2,818,330	11.3%
Sediment Control Permits	2,585,541	2,110,150	2,284,710	2,348,380	11.3%
Stormwater Management Concept Fees	259,788	252,300	273,170	280,780	11.3%
Flood Plain Permits	19,405	20,880	22,610	23,240	11.3%
Flood Plain Verification and Study Fees	26,200	19,870	21,510	22,110	11.3%
Well and Septic	440,406	336,150	363,960	374,100	11.3%
Scavenger (W&S)	6,900	7,170	7,760	7,980	11.3%
Preliminary Water Quality Review	20,882	19,950	21,600	22,200	11.3%
Final Water Quality Fee	42,802	68,410	74,070	76,130	11.3%
Vendor Operations & Licensing Fee	34,618	32,230	34,900	35,870	11.3%
Zoning and Sign Permits (ROW)	160,839	181,190	196,180	201,650	11.3%
Benefit Performances	3,144	2,950	3,190	3,280	11.2%
Overtime Offset Fee	491,903	411,590	445,640	458,060	11.3%
Permit Fees from Tax Supported Agencies	102,176	0	0	0	—
Permitting Services Revenues	23,052,337	21,968,730	23,904,310	24,697,760	12.4%

FY06 RECOMMENDED CHANGES CROSSWALK

	Expenditures	WYs
PERMITTING SERVICES		
FY05 ORIGINAL APPROPRIATION	20,768,850	190.9
<u>Changes (with service impacts)</u>		
Enhance: Residential inspection services to address increased workload (Permitting Services Inspector III position) [Building Construction]	63,360	0.8
Enhance: Zoning review services to address backlog (Permitting Services Specialist III position) [Casework Management]	54,350	0.8
Enhance: Provide dedicated Green Tape Permit Technician III to be funded through a General Fund transfer [Casework Management]	39,630	0.8
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: FY06 Compensation	680,120	0.0
Increase Cost: Contractual rental costs for Department space at 255 Rockville Pike [Administration]	308,110	0.0
Increase Cost: IT Replacement Schedule - Servers and Printers [Administration]	305,000	0.0
Increase Cost: FY06 Retirement Rate Adjustments	271,580	0.0
Increase Cost: Proficiency advancement compensation increases	159,730	0.0
Increase Cost: FY06 Group Insurance Rate Adjustments	147,400	0.0
Increase Cost: Annualization of FY05 Personnel Costs	42,910	0.0
Increase Cost: Annualization of FY05 Operating Expenses	35,720	0.0
Increase Cost: Temporary clerical professional services contract to support one time imaging preparation of Land Development files [Casework Management]	32,080	0.0
Increase Cost: Maintenance of GIS Software [Administration]	28,400	0.0
Increase Cost: FY06 Records Management Charges [Administration]	20,520	0.0
Increase Cost: New Vehicle [Building Construction]	13,920	0.0
Increase Cost: FY06 Motor Pool Adjustment	3,960	0.0
Increase Cost: FY06 Risk Management Adjustment [Administration]	120	0.0
Decrease Cost: Restructure Director's Office by abolishing the Program Manager II position creating financial capacity to address residential inspection backlog [Administration]	-112,610	-1.0
Decrease Cost: Restructure Director's Office by abolishing the Manager II position (Deputy Director) creating financial capacity to address zoning backlog [Administration]	-153,910	-1.0
FY06 RECOMMENDATION:	22,709,240	191.3

FUTURE FISCAL IMPACTS

Title	CE REC. FY06	FY07	FY08	(S000's) FY09	FY10	FY11
This table is intended to present significant future fiscal impacts of the department's programs.						
PERMITTING SERVICES						
Expenditures						
FY06 Recommended	22,709	22,709	22,709	22,709	22,709	22,709
No inflation or compensation change is included in outyear projections.						
Annualization of Positions Recommended in FY06	0	19	19	19	19	19
New positions in the FY06 budget are generally assumed to be filled at least two months after the fiscal year begins. Therefore, the above amounts reflect annualization of the following new positions in the outyears: Green Tape Permit Technician III; Zoning Review Permitting Services Specialist III; and Residential Permitting Services Inspector III. In addition, FY07-FY11 costs have been reduced due to the FY06 one-time leave payouts for two administrative positions in FY06.						
Elimination of One-Time Items Recommended in FY06	0	-395	-395	-395	-395	-395
Items recommended for one-time funding in FY06, including server and printer replacement, land development record imaging, GIS software, records management charges, and new computer, furniture, vehicles, and equipment for new positions, will be eliminated from the base in the outyears.						
Labor Contracts	0	1,083	1,157	1,157	1,157	1,157
These figures represent the annualization of FY06 increments, general wage adjustments, and associated benefits. Estimated compensation (e.g., general wage adjustment and service increments) for personnel are included for FY07 and beyond.						
Information technology replacement plan	0	642	463	463	763	813
Key components of Permitting Service's IT replacement plan include 5-year financing of the permitting IT system replacement beginning in FY07 (\$2.5M), FY10 network switch replacement (\$300K), and FY11 printer and server replacement (\$350K) and routine DCM replacements. A five year financing period has been assumed in an effort to even out fund IT costs. If a three year replacement cycle is required, this will result in increased annual payments of approximately \$273K.						
Office Rent Increases	0	40	41	42	44	45
Represents cost increases under the current office space rental contract as provided by the Department of Public Works and Transportation.						

Title	CE REC.			(\$000's)		
	FY06	FY07	FY08	FY09	FY10	FY11
Server and printer post-warranty maintenance costs	0	0	0	40	40	0
After the warranties expire for printers and servers replaced in FY06, additional maintenance costs will be incurred until FY11 replacement.						
Subtotal Expenditures	22,709	24,098	23,994	24,035	24,337	24,348

FY05-10 PUBLIC SERVICES PROGRAM: FISCAL PLAN				PERMITTING SERVICES			
FISCAL PROJECTIONS	FY05 ESTIMATE	FY06 REC	FY07 PROJECTION	FY08 PROJECTION	FY09 PROJECTION	FY10 PROJECTION	FY11 PROJECTION
ASSUMPTIONS							
Indirect Cost Rate	14.32%	12.60%	12.60%	12.60%	12.60%	12.60%	12.60%
CPI (Fiscal Year)	2.8%	2.6%	2.6%	2.6%	2.5%	2.5%	2.6%
Investment Income Yield	2.2%	3.0%	3.8%	4.3%	4.7%	5.0%	5.3%
BEGINNING FUND BALANCE	3,459,210	4,830,900	5,320,470	5,413,860	5,721,610	6,088,120	6,233,380
REVENUES							
Licenses & Permits	21,327,880	21,925,750	22,802,780	22,802,780	22,802,780	22,802,780	22,802,780
Charges For Services	2,173,830	2,234,410	2,323,790	2,323,790	2,323,790	2,323,790	2,323,790
Fines & Forfeitures	153,320	157,600	163,900	163,900	163,900	163,900	163,900
Miscellaneous	249,280	380,000	520,000	640,000	740,000	820,000	890,000
Subtotal Revenues	23,904,310	24,697,760	25,810,470	25,930,470	26,030,470	26,110,470	26,180,470
INTERFUND TRANSFERS (Net Non-CIP)	(1,690,000)	(1,498,950)	(1,619,290)	(1,628,560)	(1,628,560)	(1,628,560)	(1,628,560)
Transfers To The General Fund	(2,749,660)	(2,598,240)	(2,734,730)	(2,744,000)	(2,744,000)	(2,744,000)	(2,744,000)
Transfers From The General Fund	1,059,660	1,099,290	1,115,440	1,115,440	1,115,440	1,115,440	1,115,440
TOTAL RESOURCES	25,673,520	28,029,710	29,511,650	29,715,770	30,123,520	30,570,030	30,785,290
PSP OPER. BUDGET APPROP/ EXPS.							
Operating Budget	(20,842,620)	(22,709,240)	(22,709,240)	(22,709,240)	(22,709,240)	(22,709,240)	(22,709,240)
Labor Agreement	n/a	0	(1,083,200)	(1,156,780)	(1,156,780)	(1,156,780)	(1,156,780)
Annualizations and One-Time	n/a	n/a	376,000	376,000	376,000	376,000	376,000
Contract Costs - Rent/IT Maintenance	n/a	n/a	(39,790)	(41,030)	(82,270)	(83,520)	(44,770)
IT Replacement Plan Costs	0	0	(641,560)	(463,110)	(463,110)	(763,110)	(813,110)
Subtotal PSP Oper Budget Approp / Exp's	(20,842,620)	(22,709,240)	(24,097,790)	(23,994,160)	(24,035,400)	(24,336,650)	(24,347,900)
TOTAL USE OF RESOURCES	(20,842,620)	(22,709,240)	(24,097,790)	(23,994,160)	(24,035,400)	(24,336,650)	(24,347,900)
YEAR END FUND BALANCE	4,830,900	5,320,470	5,413,860	5,721,610	6,088,120	6,233,380	6,437,390
END-OF-YEAR RESERVES AS A PERCENT OF RESOURCES	18.8%	19.0%	18.3%	19.3%	20.2%	20.4%	20.9%

Assumptions:

- These projections are based on the Executive's Recommended Budget and include negotiated labor agreements, the operating costs of capital facilities, the fiscal impact of approved legislation or regulations, and other programmatic commitments. They do not include inflation or unapproved service improvements. The projected future expenditures, revenues, and fund balance may vary based on changes to fee or tax rates, usage, inflation, future labor agreements, and other factors not assumed here.
- FY06 costs reflect administrative staffing reductions to help finance the following major items: server and printer replacements and GIS upgrades, additional zoning compliance and residential inspection staffing to address backlogs, imaging of land development records, and a Permit Technician to address increased Green Tape expedited permitting work. The Green Tape position will be funded by a \$39,630 increase in the transfer from the general fund.
- The labor contract with the Municipal and County Government Employees Organization, Local 1994 expires at the end of FY07.
- Key components of Permitting Service's IT replacement plan include 5-year financing of the permitting IT system replacement beginning in FY07 (\$2.5M), FY10 network switch replacement (\$300K), and FY11 printer and server replacement (\$350K) and routine DCM replacements. A five year financing period has been assumed in an effort to even out fund IT costs. If a three year replacement cycle is required, this will result in increased annual payments of approximately \$273K.
- The current policy of increasing fees for inflation only is not sufficient to cover department cost increases. As a result, resources are projected based on a proposed change in revenue policy which would link fee increases more closely to labor cost increases.
- The year-end cash balance is targeted to ensure protection against possible cyclical softening of the construction market and related permit fee revenues.

Notes:

- FY04 actual fund balance does not include \$6,670,382 in escrowed performance bonds.

PERMITTING SERVICES

PROGRAM:

Casework Management

PROGRAM ELEMENT:

Special Exception Inspections

PROGRAM MISSION:

To inspect all special exception uses according to the schedule^a agreed to by the Department of Permitting Services and the Board of Appeals in order to ensure compliance with the conditions set by the Board of Appeals when the special exception was issued

COMMUNITY OUTCOMES SUPPORTED:

- Maintain the health, safety, morals, comfort, and welfare of citizens
- Preserve the residential character of neighborhoods

PROGRAM MEASURES

	FY02 ACTUAL	FY03 ACTUAL	FY04 ACTUAL	FY05 BUDGET	FY06 CE REC
Outcomes/Results:					
Percentage of special exceptions inspected that were found to be in compliance	24	30	38	40	45
Percentage of special exceptions inspected that were recommended to be abandoned ^b	31	15	22	30	30
Number of special exception violations corrected	24	35	7	30	25
Service Quality:					
Average number of days to resolve ^c a special exception complaint	18	5	6	30	15
Percentage of high impact uses inspected (goal = 100%) ^a	30	30	55	60	100
Percentage of moderate impact uses inspected (goal = 50%) ^a	20	25	31	50	50
Percentage of low impact uses inspected (goal = 33%) ^a	50	20	28	40	33
Efficiency:					
Average cost per special exception inspection (\$)	309	124	206	188	204
Percentage of average special inspection cost recovered from fees	28	71	54	58	63
Average number of special exception inspections per inspector	272	668	420	475	475
Workload/Outputs:					
Number of special exception complaints received	28	10	10	14	10
Number of special exception inspections completed	544	1,335	840	950	950
Fee charged per special exception inspection (\$)	88	88	^e 111	^e 110	^e 128
Number of high impact special exceptions	156	196	555	500	500
Number of moderate impact special exceptions	187	163	490	250	250
Number of low impact special exceptions	48	130	224	200	200
Inputs:					
Expenditures (personnel costs only) (\$000)	168	166	173	179	194
Workyears	^d 1.25	2.0	2.0	2.0	2.0

Notes:

^aHigh impact uses are supposed to be inspected annually; moderate impact uses are to be inspected every two years; and low impact uses are to be inspected every three years.

^bA special exception is deemed abandoned when the use for which the special exception was approved ceases for a period of six months. When this occurs, the special exception is revoked.

^c"Resolve" means to determine that there is in fact a violation and to issue a notice to take corrective action.

^dAdditional staff were hired in March, 2002.

^eA 2.8% increase in the fee for Special Exceptions was approved for FY04 and FY05. A 6.4% increase is recommended for FY06.

EXPLANATION:

A special exception to the Zoning Ordinance is the authorization of a specific land use by the County Board of Appeals that would not usually be appropriate without some restriction. Such an exception requires a finding that certain conditions exist, that the use is consistent with the applicable master plan, and that it is compatible with the existing neighborhood. The Department of Permitting Services is required to perform regular inspections of these special exception uses. Special exceptions are classified into three categories depending on the impact that they have on the neighborhood. Those uses deemed to have a high impact are inspected annually, those of medium impact are inspected once every two years, and those with a low impact are inspected once every three years. These inspections are done automatically, according to a schedule. In addition, unscheduled inspections may be made in response to a complaint from a citizen.

Each inspection results in a finding that the special exception is in compliance, in violation, or should be abandoned. If the special exception is found to be in violation and the violation is not corrected, the Department of Permitting Services will recommend to the Board of Appeals that the special exception be abandoned (revoked).

Although the Department of Permitting Services has always had responsibility for conducting special exception inspections, in FY99 those responsibilities were focused on a single employee. The FY02 budget included funds for additional staff to allow the Department to inspect more special exceptions and to develop an accurate inventory of existing special exceptions. These enhancements allow the Department to more effectively monitor special exception uses to ensure that such exceptions continue to operate within the conditions set forth by the Board of Appeals and, thus, preserve the character of the neighborhood.

PROGRAM PARTNERS IN SUPPORT OF OUTCOMES: Montgomery County Board of Appeals.

MAJOR RELATED PLANS AND GUIDELINES: Montgomery County Zoning Ordinance, as amended.

PERMITTING SERVICES

PROGRAM:

Land Development

PROGRAM ELEMENT:

Land Development Plan Approvals

PROGRAM MISSION:

To provide timely and accurate plan approval services for new development and redevelopment by ensuring compliance with development and construction standards to protect land and water resources, meet public health standards, and provide a safe and efficient public roadway system

COMMUNITY OUTCOMES SUPPORTED:

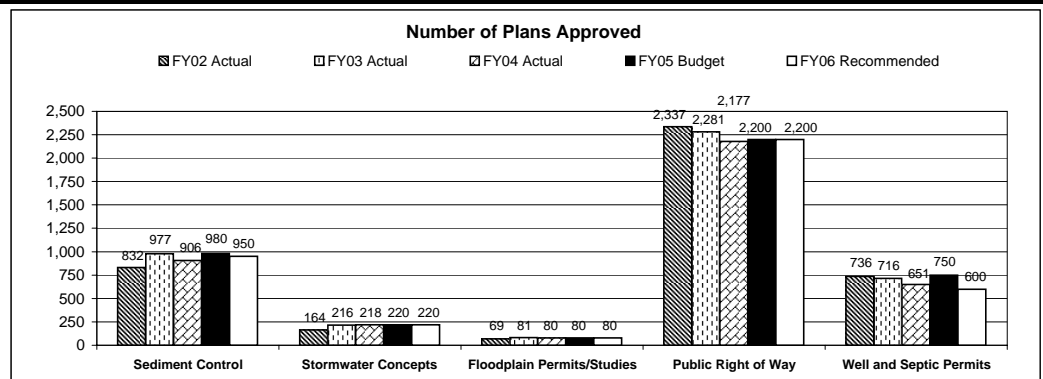
- Protection and enhancement of the environment
- Safe and maintainable roads
- Attractive communities
- Protection of public health in rural areas

PROGRAM MEASURES

	FY02 ACTUAL	FY03 ACTUAL	FY04 ACTUAL	FY05 APPROVED	FY06 CE REC
Outcomes/Results:					
Service Quality:					
Average time to complete plan reviews (weeks):					
Sediment Control	2.8	2.8	2.8	3.0	3.0
Stormwater Concepts	3.0	3.0	2.6	3.0	3.0
Floodplain Permits/Studies	4.0	4.0	4.0	4.0	4.0
Public Right of Way	3.0	3.0	3.0	3.0	3.0
Well and Septic Permits	2.2	2.0	1.5	2.0	1.5
Efficiency:					
Cost per plan approval (\$):					
Sediment Control	505	504	580	636	725
Stormwater Concepts	2,111	1,835	2,400	2,950	3,027
Floodplain Permits/Studies	1,741	1,579	2,078	2,284	2,320
Public Right of Way	416	423	565	600	703
Well and Septic Permits	441	517	708	631	832
Workload/Outputs:					
Number of plans approved:					
Sediment Control	832	977	906	980	950
Stormwater Concepts	164	216	218	220	220
Floodplain Permits/Studies	69	81	80	80	80
Public Right of Way	2,337	2,281	2,177	2,200	2,200
Well and Septic Permits	736	716	651	750	600
Total	4,138	4,271	4,032	4,230	4,050
Inputs:					
Expenditures (personnel costs only) (\$000)					
Sediment Control	420.1	492.1	525.9	623.0	688.5
Stormwater Concepts	346.2	396.4	523.3	648.9	665.9
Floodplain Permits/Studies	120.1	127.9	166.2	182.7	185.6
Public Right of Way	972.4	965.4	1,229.8	1,319.3	1,546.9
Well and Septic Permits	324.5	369.9	461.2	473.6	499.1
Total	2,183.3	2,351.7	2,906.4	3,247.5	3,586.0
Workyears:					
Sediment Control	7.5	7.9	7.7	7.0	6.9
Stormwater Concepts	5.8	6.3	6.0	7.3	6.6
Floodplain Permits/Studies	1.8	1.8	1.8	1.8	1.6
Public Right of Way	15.4	14.5	13.5	14.2	14.8
Well and Septic Permits	4.9	5.2	5.2	4.7	4.5
Total	35.4	35.7	34.2	35.0	34.4

Notes:
EXPLANATION:

The numbers of Public Right of Way plans, Floodplain Permits/Studies, and Stormwater Concepts approved are expected to remain stable in FY05 and FY06. (The number of Stormwater Concept plans increased in FY03 due to changes in the County Code.) Well and Septic Permits fluctuate with the amount of land that is subdivided in the outer areas of the County, which can vary from year to year. The number of Sediment Control Plans can also vary based on the amount and location of land that is available for development.



PROGRAM PARTNERS IN SUPPORT OF OUTCOMES: Department of Environmental Protection, Department of Public Works and Transportation, Department of Health and Human Services, Maryland-National Capital Park and Planning Commission, Washington Suburban Sanitary Commission.

MAJOR RELATED PLANS AND GUIDELINES: Department of Permitting Services Automation Strategic Plan, Department of Permitting Services Departmental Reorganization Initiative.